

State of Utah DEPARTMENT OF NATURAL RESOURCES

S0010074 TASK 2734

MICHAEL R. STYLER
Executive Director

Division Director

Division of Oil, Gas and Mining JOHN R. BAZA

GARY R. HERBERT
Lieutenant Governor

November 5, 2008

Gene Henrie 956 S. Canyon Drive Cedar City, Ut 84720

Subject: Reclamation Surety Required, Gene Henrie DBA Quality Crushing, Marie Pit Overburden

Dump Pile, S/001/0074, Beaver County, Utah

Dear Mr. Henrie:

The Division finds your Notice of Intention to Conduct Small Mining for the Marie Pit Overburden Dump Pile complete. Prior to conducting mining activities the Division must approve the reclamation surety. The reclamation surety is determined to be \$5,400 for the 2.5 acre project escalated to year 2011. The Division decided to allow a reduced surety, based on the fact, all activity will occur on an existing historic rock dump waste pile. The bond was calculated on the assumption of \$3,400 for the first acre, including a mobilization of a piece of equipment, and \$1,000 for each additional acre. This bond assumes regrading will occur at the end of the project to bring the dump to a stable configuration.

Please submit the reclamation surety and Reclamation Contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

The reclamation surety can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, or a surety bond. Please contact Penny Berry at (801) 538-5291 or e-mail bondcoordinator@utah.gov for assistance in completing this requirement.

Thank you for your cooperation to help finalize this permitting action. In reply, <u>please refer to file number S/001/0074</u>.

Sincerely,

Paul Baker

Mineral Program Manager

PB:tm:vs
Task ID# 2734
P:\GROUPS\MINERALS\WP\M001-Beaver\S0010074-Maria Pit\final\condit -accept11052008.doc

